

GOVERNMENT OF ASSAM
FINANCE (TAXATION) DEPARTMENT

NOTIFICATION

ANNEXURE : A

Dated Dispur, the 17th November, 1994

No. FTX.20/94/79 : In exercise of the powers conferred by sub – section(3) of section 8 of the Assam Agricultural Income Tax Act, 1939 (Assam Act) IX of 1939) as amended, hereinafter referred to as the Act, the Governor of Assam is pleased to introduce the plantation Development Fund Scheme, 1994 in the manner hereinafter appearing namely :-

PLANTATION DEVELOPMENT FUNDScheme, 1994

1. Short title and application

- (1) This Scheme may be called the Plantation Development Fund Scheme, 1994.
- (2) It shall come into force with immediate effect.
- (3) It applies to all the assesses, who derive agricultural Income from the State of Assam who are eligible for the deduction under section 8(3) of Assam Agricultural Income Tax Act, 1939, as amended up to date..

2. Definitions

- (1) In this schemes, unless the context otherwise required;
 - (a) "account" means a deposit account under this scheme;
 - (b) "Deposit Office" means any office of the Assam Financial Corporation, where the account is maintained.
 - © "Depositor" means an assessee, who is eligible to make a deposit under section 8(3) of the Act.
 - (d) "Designated Account" means an account of the depositor exclusively for the purposes of the scheme opened with Assam Financial Corporation ;
 - (e) "Paragraph" means a paragraph of this Scheme and Sub-Paragraph" means a Sub – Paragraph of the paragraph in which it occurs ;
- (2) All references to 'Forms' in this scheme shall be construed as references to the forms set out in the Appendices to this Scheme.

3. Deposit : how to be made :-

- (1) The deposit under the scheme as per section 8(3) of the Act shall be made in any deposit office of the Assam Financial Corporation.
- (2) Such deposit may be made in one lump sum or in installments in multiples of one thousand rupees (not exceeding two installments) in each financial year..

4. Manner of deposit :-

- (1) Every depositor making a deposit for the first time shall apply to the deposit office in Form 'A' together with the amount of deposit payable in the manner specified in sub-paragraph (3).
- (2) On receipt of an application under sub-paragraph(1) the deposit office shall open an account in the name of the depositor.
- (3) Every subsequent deposit shall be made into the deposit office at which the amount stands by a crossed cheque or demand draft in favour of such office on a bank situated at the place where the deposit office is situated.
- (4) Every deposit shall be evidenced by a receipt issued in Form 'B' by the deposit office.
- (5) The deposit office shall issue to the depositor a statement of account in Form 'C' on the expiry of each quarter ending on 30th June, 30th September, 31st December and 31st March in a year, showing the amount of deposits made during the quarter previous to the quarter to which the statement relates.
- (6) Issue of duplicate statement :-

In the event of loss or destruction of the receipt or statement of account referred to in sub-paragraph (4) or sub-paragraph(3) of paragraph 4, the deposit office may, on an application made to it in this behalf, issue a duplicate thereof.

7. Interest :-

- (1) Subject to sub-paragraph (2), the deposit shall carry simple interest at the maximum deposit rate as declared by the Reserve Bank of India from time to time and this interest is to be calculated from the first day of the month immediately following the month in which the amount of deposit is credited to the account.
- (2) Where during any financial year any part of the deposit is withdrawn, the interest payable on the deposits shall be calculated on the basis of minimum monthly balance in the account during each of the months in the financial year.
- (3) The interest payable for any financial year or part thereof shall, soon after the close of the financial year, be credited to the designated account.
- (4) One percent out of the interest received from the deposit, kept in the deposit office shall be debited by the deposit office as service charge.

8. Procedure for withdrawal :-

(1) The depositor shall be entitled to withdraw the whole or any part of the deposit made by making an application in Form 'D' but not more than one withdrawal shall be made in a month.

(2) On receipt of the request of withdrawal the deposit office shall, as soon as may, pay the amount to the depositor.

9. Information regarding deposits and withdrawals :-

(1) Where the deposit is made by a depositor, the receipt, or as the case may be, the receipts issued in Form B (referred to in para 4 (4)) shall be forwarded by the depositor to the Agricultural, Income Tax Officer alongwith the return of Agricultural Income relating to the previous year in respect of which the deposit is made.

(2) Where a withdrawal has been made by the depositor during the previous year, a certificate by a Chartered Accountant, who is an employee of the depositor showing :

(a) the amounts withdrawn during the previous year ;

and

(b) the purposes for which the withdrawal was allowed during the previous year;

Shall be submitted to the Agricultural Income Tax Officer alongwith the return of Agricultural Income relating to the previous year in which the withdrawal was made.

10. Any amount withdrawn by the depositor from his account under this scheme shall be allowed to be utilized by him for any one or more or all of the following purposes only and not any other purpose :-

(a) Extension of planting, replanting, replacement, rejuvenation or consolidation of areas of plantations or interplanting of planted areas including preparation of land, care and maintenance of such areas and provision of nurseries and shade trees ;

(b) extension of factories and godowns ;

(c) purchase of tractors, trailers, power tillers and power trolleys for the purpose of expansion of plantation ;

(d) purchase of spraying equipment for weed control and plant protection measures ;

(e) measures for controlling floods, soil erosion and water logging including drainage.

11. Any amount utilized by the depositor for any of the purposes permitted under the paragraph – 9 above shall count for deduction from his agricultural income for the purpose of determination of the agricultural income tax, provided that such deduction under this scheme alongwith the share of deduction , if any, under any provision of the Indian Income Tax Act,1961 shall not exceed 20% (twenty percent) of the total agricultural income of the depositor as an assessee under the Assam Agricultural Income Tax Act,1939.

12. Where such depositor assessee is a firm or any association of persons or any body of individuals, such deduction shall not be allowed in the computation of income of any partner or as the case may be, any member of such firm, association of persons or body of individuals.

13. If any withdrawal by the depositor or part thereof from the deposit under this scheme is not utilized for the purpose for which it was withdrawn, it shall be treated as agricultural income of the depositor in the year of the withdrawal and assessed accordingly.

14. For the purpose of claiming benefit of deduction from his agricultural income in the determination of agricultural income tax under this scheme, the depositor shall furnish to the Agricultural Income Tax Officer all relevant details as required by the Agricultural Income Tax Officer including the details on the deduction allowed to him by the Central Income Tax Authorities.

14. Closure of the account :-

(a) If a depositor desires to close the account, an application shall be made, with the approval of the Agricultural Income Tax Officer in Form 'E' and the deposit office shall, as soon as may be, subject to the provision of paragraph 7 above pay the amount of balance (including interest accrued as on the last day of the month preceding the month in which the said application under this paragraph has been made) lying to the credit of the depositor by means of accredit to the designated account.

(b) Any amount standing to the credit of the assessee in the plantation Development Account, constituted under sub-section (3) of the section 8 of the Act shall not be allowed to be drawn except for the purposes specified in clause (a) to clause (e) of sub - section (3) of section 8 or in any of the circumstances specified below :-

- (a) Closure of business,
- (b) Death of an assessee ,
- (c) Partition of a Hindu Undivided family,
- (d) Dissolution of a firm or
- (e) Liquidation of a company.

© The Assam Agricultural Income Tax Officer, before according approval of closure of account, shall cause the amount of tax livable on the fund, not utilized for the purposes mentioned in clause (a) to clause (e) of sub - section (3) of section 8 of the Act and deducted and credited into Government Account by the deposit office.

— Sd —

(Niranjan Ghose)
Secretary to the Government of Assam,
Finance Department.

Memo No. FTX.20/94/79 – A

Dated Dispur, the 17th November, 1994

Copy to :-

- 1) The Commissioner, Industries Department, Dispur, Guwahati – 6.
- 2) The Commissioner of Taxes, Assam, Kar Bhawan, Dispur, Guwahati – 6.
- 3) The Deputy Secretary, Legislative Department, Dispur.
- 4) The Superintendent, Assam Govt. Press, Bamunimaidan, Guwahati – 21. He is requested to kindly publish the above Notification in the next issue of the Assam Gazette and furnish 200 copies of the same to this Department.
- 5) The Managing Director, AFC, HO, Guwahati – 8.

— Sd —

Deputy Secretary to the Govt. of Assam
Finance (Taxation) Department, Dispur.